



RULE-MAKING ORDER

CR-103 (June 2004)
(Implements RCW 34.05.360)

Agency: Department of Revenue

☒ **Permanent Rule**
☐ **Emergency Rule**

Effective date of rule:

Permanent Rules

☒ 31 days after filing.
☐ Other (specify) _____ (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

Effective date of rule:

Emergency Rules

☐ Immediately upon filing.
☐ Later (specify)

Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?

☐ Yes ☒ No If Yes, explain:

Purpose: WAC 458-20-238 (Rule 238) *Sales of watercraft to nonresidents* explains the tax consequences and tax exemption requirements for sales of watercraft to nonresidents, and the use tax reporting requirements of nonresidents bringing watercraft into Washington. Rule 238 has been amended to incorporate provisions of chapter 22, Laws of 2007 (SHB 1002). This legislation provides nonresident individuals with a sales tax/one-year use tax exemption for vessels 30 feet and longer. The nonresident individual must purchase a \$500 or \$800 "use permit" based on the size of the vessel, either at the time of purchase in Washington or within 14 days of bringing the vessel into Washington. The permits are sold by Washington licensed vessel dealers, who will remit the permit fees to the Department of Revenue.

Citation of existing rules affected by this order:

Repealed:

Amended: WAC 458-20-238 Sales of watercraft to nonresidents—Use of watercraft in Washington by nonresidents.

Suspended:

Statutory authority for adoption: RCW 82.32.300 and 82.01.060(2)

Other authority : RCW 82.08.0266 and 82.08.02665

PERMANENT RULE ONLY (Including Expedited Rule Making)

Adopted under notice filed as WSR 08.08.073 on March 31, 2008.

Describe any changes other than editing from proposed to adopted version: **None.**

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting: **An analysis was not prepared.**

Name: _____ phone _____
Address: _____ fax _____
e-mail _____

EMERGENCY RULE ONLY

Under RCW 34.05.350 the agency for good cause finds:

- ☐ That immediate adoption, amendment, or repeal of a rule is necessary for the preservation of the public health, safety, or general welfare, and that observing the time requirements of notice and opportunity to comment upon adoption of a permanent rule would be contrary to the public interest.
- ☐ That state or federal law or federal rule or a federal deadline for state receipt of federal funds requires immediate adoption of a rule.

Reasons for this finding:

Date adopted: June 20, 2008

Name (type or print):

Janis P. Bianchi

Signature

Title: Assistant Director

Interpretations and Technical Advice Division

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: June 20, 2008
TIME: 2:53 PM

WSR 08-14-022

**Note: If any category is left blank, it will be calculated as zero.
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.
A section may be counted in more than one category.**

The number of sections adopted in order to comply with:

Federal statute:	New	Amended		Repealed
Federal rules or standards:	New	Amended		Repealed
Recently enacted state statutes:	New	Amended	1	Repealed

The number of sections adopted at the request of a nongovernmental entity:

New	Amended	Repealed
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The number of sections adopted in the agency's own initiative:

New	Amended	1	Repealed
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The number of sections adopted in order to clarify, streamline, or reform agency procedures:

New	Amended	Repealed
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The number of sections adopted using:

Negotiated rule making:	New	Amended		Repealed
Pilot rule making:	New	Amended		Repealed
Other alternative rule making:	New	Amended	1	Repealed